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## Japan

## Tree Nuts

## Annual Report

## 2005

**Approved by:**

Emiko Purdy, Director, ATO/Osaka  
U.S. Consulate General, Osaka-Kobe

**Prepared by:**

Matsumoto Masahiro, Senior Marketing Specialist

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**Report Highlights:**

Tree Nuts Annual Report

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Annual Report  
Osaka ATO [JA3]  
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## Executive Summary

Japan has basically no production of tree nuts (almond, walnuts and pistachios). Although there is a small production of walnuts in northern Japan, it is too small to be recorded. All nuts currently marketed in Japan are imported from various countries among which the United States is the dominant supplier. For example, the U.S. market share of sweet almond in 2004 was amazing 98%, up 7% from the 2003 level. The U.S. market shares of walnuts and pistachios in 2004 were 90% (88% in 2003) and 78% (79% in 2003), respectively. Food safety is most Japanese consumers' utmost concerns. Once a food safety problem occurs, they would stop purchasing as it was evidenced in the case of the aflatoxin problem with Iranian pistachios a few years ago. Fortunately, the salmonella contamination problem occurred to California almonds was contained relatively quickly without causing a large damage to the U.S. almond industry. To avoid food safety problems, special efforts to supply high quality products should be continuously and seriously practiced.

## Imports

### Japanese imports of almonds

#### Sweet almonds, in shell, fresh or dried

Country	2002		2003		2004	
	Q'ty(MT)	Value	Q'ty(MT)	Value	Q'ty(MT)	Value
<b>USA</b>	<b>147</b>	<b>470</b>	<b>120</b>	<b>490</b>	<b>148</b>	<b>711</b>
Spain	40	24	3.5	18	1.7	14
Nethlds	0	0	0	0	0.7	7
<b>Total</b>	<b>187</b>	<b>494</b>	<b>123.5</b>	<b>508</b>	<b>150.4</b>	<b>732</b>

Unit: thousand dollars

#### Sweet almonds, shelled, fresh or dried

Country	2002		2003		2004	
	Q'ty(MT)	Value	Q'ty(MT)	Value	Q'ty(MT)	Value
<b>USA</b>	<b>27,391</b>	<b>99,447</b>	<b>28,271</b>	<b>108,847</b>	<b>25,775</b>	<b>117,510</b>
R Korea	0	0	32	120	0	0
China	5	27	11	47	0	0
Nethlds	0	0	0.5	4	0	0
France	1	7	3	20	2	20
Spain	156	912	212	1,355	165	1,332
Italy	110	593	111	710	119	910
Germany	0	0	0	0	7	59
Canada	11	41	24	95	0	0
Chile	0	0	15	66	0	0
Australia	152	633	57	213	51	237
<b>Total</b>	<b>27,827</b>	<b>101,661</b>	<b>28,734</b>	<b>111,476</b>	<b>26,119</b>	<b>119,831</b>

### Japanese Imports of Walnuts

#### Walnuts, in shell, fresh or dried

Country	2002		2003		2004	
	Q'ty(MT)	Value	Q'ty(MT)	Value	Q'ty(MT)	Value
<b>USA</b>	<b>290</b>	<b>962</b>	<b>88</b>	<b>256</b>	<b>114</b>	<b>285</b>
China	20	89	0	0	0	0
<b>Total</b>	<b>310</b>	<b>1,051</b>	<b>88</b>	<b>256</b>	<b>114</b>	<b>285</b>

Unit: thousand dollars

**Walnuts, shelled, fresh or dried**

Country	2002		2003		2004	
	Q'ty(MT)	Value	Q'ty(MT)	Value	Q'ty(MT)	Value
<b>USA</b>	<b>8,447</b>	<b>45,725</b>	<b>8,304</b>	<b>41,484</b>	<b>9,286</b>	<b>42,575</b>
China	1,461	6,178	1,267	5,084	1,308	4,596
France	21	158	20	147	23	209
Chile	5	35	4	31	3	27
<b>Total</b>	<b>9,934</b>	<b>52,096</b>	<b>9,595</b>	<b>46,746</b>	<b>10,620</b>	<b>47,407</b>

Unit: thousand dollars

**Japanese Import of Pistachios****Pistachios, fresh or dried**

Country	2002		2003		2004	
	Q'ty(MT)	Value	Q'ty(MT)	Value	Q'ty(MT)	Value
<b>USA</b>	<b>2,086</b>	<b>9,989</b>	<b>1,977</b>	<b>9,274</b>	<b>2,019</b>	<b>10,138</b>
China	0	0	13	56	0	0
Iran	528	2,841	176	975	244	1,418
Germany	1	25	0.2	6	0.2	3
Italy	39	1,114	36	1,250	39	1,175
Australia	42	220	29	133	45	284
<b>Total</b>	<b>2,696</b>	<b>14,189</b>	<b>2,230</b>	<b>11,693</b>	<b>2,347.2</b>	<b>13,018</b>

Unit: thousand dollars

\*\*\* Source of Data: Japan Tariff Association

**Production**

Although no production of tree nuts is recorded on the Ministry of Agriculture, Fisheries and Forestry's (MAFF's) official statistical data, there is a very small production of walnuts in northern Japan.

**Export**

No export of tree nuts from Japan is recorded.

**Market Recommendation**

Food safety is one of the greatest concerns of Japanese consumers. Earlier this year, U.S. almond industry had to deal with potentially damaging salmonella issue. However, FAS Japan and FAS cooperators handled the situation wisely and were able to avoid vast media exposures.

PR activities on nutritional benefits of tree nuts work well in the Japanese food market. TV programs featuring health benefits of various food items are more than just a passing fad in Japan. ATO/Osaka believes that this is a trend to stay.

Just a short time ago, tree nuts were not so popular among Japanese consumers who thought nuts are unhealthy because they contain saturated fat/oil. Thanks to the great consumer education efforts made by FAS cooperators and Japanese nuts processing companies, Japanese consumers are gradually changing their perception on tree nuts, which actually contain nutritional vitamins and minerals.

ATO/Osaka feels that the U.S. tree nuts industry has not fully explored the potential of all food related sectors in Japan. For example, walnuts are widely used in the bakery sector but still not much in other sectors. Almond's forte is the processing sector, but usage of almond is relatively small in other sectors. Pistachios are known as a good snack food, but Japanese consumers are not familiar with other usages of pistachios. It is critical to develop new sectors if we try to maintain the existing market share. If we don't, competitors will seize the tree nuts market of Japan.